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Statement submitted by Convention of Independent Financial Advisors, a non-governmental organization in consultative status with the Economic and Social Council*

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 30 and 31 of Economic and Social Council resolution 1996/31.

* The present statement is issued without formal editing.

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Statement

"Eradicating poverty in all its forms and dimensions through promoting sustainable development, expanding opportunities and addressing related challenges"

Headquartered in Geneva, Switzerland, the Convention of Independent Financial Advisors (CIFA), a non-profit Swiss foundation created in 2001 at the initiative of a group of financial advisors, aims to protect the consumer/investor's rights and privacy and defend the interests of independent financial advisors at national and international level. It has been reclassified to General Consultative status with the Economic and Social Council (ECOSOC) since 2015.

At CIFA, we are committed to achieving the goals of the United Nations, promoting global peace, security and prosperity, as well as the Sustainable Development Goals, including: "Eradicating poverty in all its forms and dimensions through promoting sustainable development, expanding opportunities and addressing related challenges".

The deliberations of CIFA consecutive Forums have outlined the urgency for governments and civil society to reform the current financial system before it leads to a worldwide economic collapse and another recession. Participants recognized that if no concrete solutions were applied soon, it would increase tensions between the regions of the world, and create a context propitious to more conflicts.

Over the past year, CIFA improved cooperation amongst nations and inspired financial and economic leaders and practitioners in searching for innovative solutions to current economic and financial challenges. Since its accreditation by the ECOSOC, all CIFA's annual reports and proposals underlined the importance to involve more closely the private sector in the implementation of MDGs and of the United Nations Development Agenda. As an example, the 10 December 2013 meeting between CIFA and the Forum of Small States (FOSS) exchanged views on closer private sector partnerships, including investor-friendly policies, which would help implement the future SDGs and 2030 Agenda. This new approach was translated in SDG#17 and it also became part of the 2030 Agenda. The 21 October 2015 General Assembly resolution (A/RES/70/1) acknowledged such partnership role for the private sector and for civil society organizations in the SDG implementation (paragraph 41), which was again reiterated in the recent 2016 ECOSOC resolution of its High-level Segment (E/HLS/2016/1 para 15). The August 2015 FFD conclusions in Addis Ababa, Ethiopia, also recognized as a priority the need for a worldwide consensus on taxation, and the importance of involving the private sector and CSOs in Agenda 2030.

Through CIFA's Forums, its "White Book" research, projects, and other activities we make substantive and sustained contributions to achieving the objectives and 2030 Agenda of the United Nations. CIFA is committed to achieving the SDG's of the United Nations, promoting global peace, security and creation of wealth, as well as the Sustainable Development Goals, including "Eradication of extreme poverty", "Ensuring Environmental Sustainability," and "look at opportunities and challenges".

CIFA's work "is broadly representative of major segments of society in a large number of countries in different regions of the world". CIFA with its core principles of defending the investor's rights is the only NGO addressing poverty and all the segments of the economy, be it developed, in development or not developed, in a constructive, wealth creating sustainable approach.

To protect the fundamental rights of citizens/investor worldwide, to put finance back at the service of the general investor or savers, and not only in favor of a few selected speculators, CIFA, has every year convened a Forum, in association with more than 70 National Associations and International Federations representing approximately 1.2 million Financial Intermediaries across the world. In order to implement the Goal 17 of the United Nations Agenda, CIFA marshals the support and collaboration from numerous other professional federations and associations.

CIFA is proud to work closely in cooperation with the Conference on Trade and Development (UNCTAD), the United Nations Alliance of Civilizations (UNAOC), the United Nations 66 and 67 General Assembly Presidency, the Department of Public Information (DPI), the United Nations Global Compact Office, the Office on Drugs and Crime (UNODC) and the World Summit on Information Society. As a result, CIFA has substantially expanded its projects and programs, which in turn has increased its scope and influence. Today, more than ever, CIFA has become a pioneer and leader in the areas of reforming the world economic and financial systems.

CIFA understands that the SDGs can only be achieved if there is sufficient wealth creation to finance them. CIFA is the defender of the idea to create an appropriate economic environment that will encourage such new wealth creation. CIFA is also aware that the world economic and financial situation has drastically changed since the creation of the SDGs and it perceives some significant changes required in addressing related challenges and in the approach to achieve them.

In particular, there is an urgency to expand opportunities and to create a climate favourable to new investments and targeting job creation for future generations. For this purpose, CIFA participants have proposed various tools and approaches to improve the controls and monitoring of the world financial markets, in order to avoid abuses, unfair losses for investors, corruptions and disruptions in the global markets.

CIFA supports the Addis FFD consensus on taxation if it can translate in a more investor-friendly context worldwide, instead of the current fiscal excesses observed recently, where some States are proposing an ever higher tax burden for its citizens, while other States are lowering their corporate taxes to unseen levels in decades. These cross-currents lead to more confusion and insecurity for investors worldwide. In considering the 2030 United Nations Agenda, it is necessary to ensure more harmony and stability in our new economic order, as a basic step in the implementation and promotion of sustainable development.

CIFA actively defends the Charter of Investors Rights which advocates the freedom and security for investors. That way, private investors can become the motor supporting job creation and creativity in a free entrepreneurial environment. To bring back a positive outlook for the young generation they need to be able to use and develop, with a maximum of freedom, their creativity and education. Without discouraging administrative restraints or regulations, young people must be given the tools, skills and readiness to take risk to promote new ideas, innovation and job creation.

Furthermore, CIFA promotes the idea that the Forum of Small States (FOSS), developing, landlocked countries, and small islands need excellence in financial advice as a condition for protection of consumers. This will, in turn, help emerging economies to adopt standards of accountability, transparency, and integrity. That way, they can become valid partners in global financial market.

CIFA also considers the inter linkages of all the SDG's 17 Goals in its annual work plan, and puts forward the following recommendations:

1. Calls for an open, rule-based trading and financial system, more generous aid to countries committed to poverty reduction, and relief for the debt problems of developing countries. The political, fiscal and economic environment must become and remain investor-friendly.

2. Draws attention to the problems of the least developed countries and of landlocked countries and small islands as well as developing states, which have greater difficulty competing in the global economy.

3. Calls for cooperation with the private sector to address the youth unemployment, ensure access to affordable, essential drugs, and make available the benefits of new technology.

Over the past year, CIFA improved cooperation amongst nations and inspired financial and economic leaders and practitioners in expanding opportunities and searching for innovative solutions to current economic and financial challenges.

In the context of promoting Sustainable Development, CIFA encourages the creation of an appropriate economic framework, where the SDGs can be more efficiently achieved. When a positive environment for wealth creation is in place, it fosters more inclusive economic growth.

To ensure worldwide Eradicating poverty in all its forms and dimensions we need more financial, fiscal, economic and political stability as well as more entrepreneurial freedom. Instead of worldwide prosperity, overregulation and over-taxation are now impeding creativity and wealth creation by promoting rent extraction in favor of a very few.

In this regard, we share an inclusive economic growth approach where development is based on increasing the pace of new job creation, and not substituting new job creation by more social benefits. CIFA encourages investors to target sectors, which are more prone to create new productive employment opportunities which, in return, will generate more added-value and community enrichment.

CIFA welcomes the 2017 theme ECOSOC and the fact that ECOSOC has "recognized the importance of a more representative civil society participation in its policy decision-making and operational fora". CIFA will certainly heed ECOSOC's call and accept to further contribute to the definition of new global partnership in order to help achieve the 2030 development Agenda.

Last October in New York City, United States of America, CIFA had the privilege to contribute with the Group of 77 Workshop's on: "Strategies for advancing work on a new debt workout mechanism building on the UNGA process". This Workshop gave us an opportunity to establish the parameters for a closer partnership on the new SDGs and on the 2030 Agenda. CIFA will continue these discussions in its own Annual Forum Congress in Monaco, on 30-31 May and 1st June 2017 under the theme: "Outsiders in Power: Will they tear the existing model? What new model do they propose?" which aims to respond to the current ECOSOC Theme.

In summary

The following objectives for a global system of financial intermediation would seem advisable in order "to eradicate poverty in all its form and dimensions through promoting sustainable development, expanding opportunities and addressing related challenges":

1. Finance must support the real economy.

2. Profits from finance must reflect real contribution to growth and wealth creation.

3. The financial industry could better focus its talents if the systemic aspect of the present structures would be eliminated.

4. Governments have a responsibility to structure financial markets so as to eliminate rent extraction from the system.

To ensure worldwide prosperity, we need more financial, economic and political stability as well as more entrepreneurial freedom. Instead of worldwide prosperity, overregulation and over taxation has compromised creativity and wealth creation by promoting rent extraction in favour of a very few. It should be the business of the United Nations, the international community and private organizations like CIFA to seriously address this critical challenge of ensuring that the citizens of our respective countries can continue to eradicate poverty through wealth creation to enjoy the benefits of capitalism and not just its costs.